that Verizon doesn't understand why WorldCom cannot agree to have the arrangements in a separate attachment or separate agreement.

MR. D'AMICO: Yes, that's what it says. It doesn't really get into the specifics of those agreements.

Is there a minimum number of MR. MONROE: CLECs you think would have to agree to do that before it would be incumbent upon WorldCom to do that?

> MR. D'AMICO: No.

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If we were to put these MR. MONROE: arrangements in a separate agreement, would you agree that that would be an Interconnection Agreement under the Act, and would have to be filed with the state commission?

MR. D'AMICO: I'm not sure it would be an attachment or a stand-alone document. I'm not sure of the administration of that or the process of 20 that.

MR. MONROE: Isn't it Verizon's proposal 22 that it be a separate document?

1 MR. D'AMICO: Again, when you say separate, separate being not in this

3 Interconnection Agreement, but I'm not sure of what happens to it once it's executed as far as filing

MR. MONROE: If it's not part of this Interconnection Agreement, then it would be a stand-alone document; is that correct?

> MR. D'AMICO: Yes.

or what to do with it.

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MR. MONROE: And if we were to agree to put that in a separate agreement that weren't part of this Interconnection Agreement negotiation and arbitration, how would we resolve any disputes that might arise over what language ought to go into the 15 agreement?

MR. D'AMICO: I'm not sure. I'm not sure 17 if we have any disputes.

MR. MONROE: Well, we requested 19 interconnection, and as a result of that, the parties undertook negotiations, and then ultimately are arbitrating this decision now.

> My question is: If we agree to include

1 these terms for OS/DA in a separate agreement, not 2∥a part of this Interconnection Agreement and we ultimately were not able to agree on all the terms, how would that dispute be resolved?

MR. D'AMICO: I'm not sure that we've run 6 across that situation where the parties haven't 7 been able to come to an agreement on the separate OS/DA language.

Well, would you agree that MR. MONROE: 10 | it's possible that we would not be able to? have already identified a few sections that we can't agree to right now; correct?

> MR. D'AMICO: Yes.

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So, would you agree that it's MR. MONROE: possible that the parties would not agree to all the language if they were to conduct additional negotiations?

MR. D'AMICO: It's possible.

And if that happened, how MR. MONROE: would the dispute over the language get resolved?

MR. D'AMICO: I'm not sure how we would address that. 22

MR. MONROE: Well, would you agree that 1 this arbitration is WorldCom's only opportunity to get language into the agreement that it wants into 3 the agreement that Verizon doesn't agree to? 5 MR. D'AMICO: Into the Interconnection Agreement? 6 7 MR. MONROE: Yes. MR. D'AMICO: Yes. 8 9 I have no more questions on MR. MONROE: IV-8. 10 I will continue with IV-8, and 11 MR. KEHOE: I really have questions regarding only one area, which I think is an area of substantive dispute. I would like to direct you to Verizon 14 Exhibit 9 on page 22. And it's really lines 13 through 17. 16 This is having a separate 17 MR. D'AMICO: OS/DA trunk group? MR. KEHOE: Yes. 19 20 At the hearing about two weeks now ago I asked the WorldCom witness whether they needed the 22 call detail when Verizon provides

operator-to-operator calls in circumstances where WorldCom does not purchase OS/DA from Verizon. And the WorldCom witness did not know whether they needed the call detail, and we made a record request for that.

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Assuming that WorldCom's answer is that it does not need the call detail, why precisely could Verizon not route these operator-to-operator calls over the local interconnection group?

MR. D'AMICO: Besides the billing issue, I believe there could be two different switches involved; whereas Verizon, for local interconnection, could have a separate tandem, which would be used to terminate local interconnection traffic, or if you go to an access tandem. However, in this situation, in addition to the billing concerns, that may not be the same switch for the OS/DA.

MR. KEHOE: But if WorldCom doesn't need the call detail that would come from the one switch for its purposes, does Verizon need call detail for its own purposes?

MR. D'AMICO: I'm not sure if we need any kind of call detail to be able to bill or compensate us as opposed to providing records to WorldCom, but in addition to that problem, we may have the fact that want OS switch is here and the tandem for local interconnection is here, so they just physically don't go to the same place.

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But if WorldCom is not MR. KEHOE: purchasing OS/DA from you in the first place, do you need to connect up to the OS/DA switch?

MR. MONROE: Mr. Kehoe, if I could clarify this, I think that that testimony is referring to when WorldCom is purchasing OS/DA services, and now that we have I think stipulated that Section 1.6.1 is agreed to, in that language we have agreed to provide trunking to Verizon's OS/DA platform when we are purchasing OS/DA services.

MR. KEHOE: I may have picked up on the wrong testimony that -- I'm trying to find out why the--let me start over.

I perceive the call detail as being a 22|reason for not routing operator-to-operator calls

over the local interconnection group when WorldCom is not purchasing OS/DA services from Verizon. that a correct understanding of the issues? 3

Well, again by way of MR. MONROE: clarification, if WorldCom were not buying OS/DA 6 services from Verizon, there would be no need to connect with Verizon's OS/DA platform by any mechanism.

MR. KEHOE: Is that your understanding also?

> MR. D'AMICO: Yes.

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MR. KEHOE: Thank you.

I would like to turn now to issue V-16, which is reciprocal transit services. And I have a question for Verizon.

Are there any facility-based carriers in Virginia that, to your knowledge, Verizon doesn't interconnect with directly?

MR. D'AMICO: Not if they are sending us 20 traffic. So I quess the answer would be probably 21 not.

> MR. KEHOE: Thank you. No further

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Any redirect on issues V-16 MR. DYGERT: and IV-8?

MR. EDWARDS: No, sir.

MR. MONROE: No.

Thank you. MR. DYGERT: Great. think we will move now to issue IV-3, trunk and facility augmentation, and we could -- finish that one up and then start running through the others. But first we need to take a short break.

(Brief recess.)

MR. DYGERT: We are back on the record.

Mr. Dygert, I have three MR. KEFFER: quick items. During the break I distributed to the parties AT&T's response to a record request which 16 Ms. Carpino made last Wednesday regarding AT&T's willingness to provide DIXC data. I propose to 18∥mark that as AT&T Exhibit 39, just for purposes of keeping the record clean, and I would move that Exhibits 38 and this additional Exhibit 39 be admitted into the record.

(AT&T Exhibit No. 39 was

marked for identification.) 1 Any objection from Verizon? 2 MR. DYGERT: MR. EDWARDS: I don't think I have any 3 objection. I do have a question, though. understood the record request to be about whether AT&T would provide DIXC data to Verizon. right about that? Yes, and the answer to the MR. KEFFER: 8 9 | question is yes. I'm not sure that as the 10 MR. EDWARDS: question is phrased here--It's supposed to be answering 12 MR. KEFFER: the question that was raised in the transcript, and 13 I'm the first to admit that this is not typed out perfectly clearly, but the answer to the question that Mr. Edwards raised is the question we were answering, and it's yes. We are willing to provide 17 it on the same terms that data is provided to us. MR. EDWARDS: With that understanding, I 19 don't have any objection. MR. DYGERT: AT&T Exhibits 38 and 39 are 21

22 admitted.

1	(AT&T Exhibit Nos. 38 and 39					
2	were admitted into					
3	evidence.)					
4	MR. KEFFER: I would also just note for					
5	the record that this morning AT&T and Verizon					
6	closed out on VII-14. That is no longer an open					
7	issue.					
8	MR. DYGERT: VII-14? I had prematurely					
9	closed that out for you, I'm afraid.					
10	MR. KEFFER: All right. Well, you're a					
11	man of vision.					
12	MR. DYGERT: Anything else?					
13	MR. KEFFER: No, and thank you for					
14	allowing me to interrupt.					
15	MR. DYGERT: Thank you. Then at this					
16	point I think we are ready to begin with the					
17	parties' cross on issue IV-3, and I'm not sure					
18	whose turn it is.					
19	CROSS-EXAMINATION					
20	MR. MONROE: I guess we will keep going on					
21	this subpanel.					
22	Let me ask to you take a look at Verizon 9					

as your August 17th direct. Looking at page nine.

At the top of that page you say Verizon has

proposed requirements in Sections 2.4 and 13 with

respect to trunk provisioning and forecasting which

ensures that customers of both carriers are able to

complete and receive their calls; is that correct?

MR. ALBERT: Which page are you on?

MR. MONROE: I'm on page nine. This is your August 17 direct.

MR. ALBERT: I got it here.

MR. MONROE: Did I characterize that

12 | language correctly?

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MR. EDWARDS: He was referring to line 17 through 19.

MR. MONROE: No, I was looking at lines one through three.

MR. ALBERT: Yeah.

MR. MONROE: Okay. My question is, where in that language that you reference, if anywhere, is there any discussion on facility augmentation?

I guess I would say in several places, in

MR. ALBERT: Anybody have this reference?

 $1 \mid 2.4.1$, I'm looking at the joint decision points, 2 the binder keep thing. There is some wording down 3 | near the bottom of page 109 that talks about using 4 a design approach of a last economic CCS equal to five; and similarly, if you go to Section 2.4.8, and we get into the different utilizations to either disconnect trunks or to add trunk, the 7 I 8 different utilization levels. I would say those 9 different requirements or clauses, all those really 10 | get at when you add trunks, or when you delete 11 trunks, how you design and size trunks.

I would agree with you as to MR. MONROE: 13 | your answer, but my question was where in your language, if anywhere, do you address facility augmentation. I'm not talking about trunk augmentation.

MR. ALBERT: You got to have the facilities to add the trunks.

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MR. MONROE: I can't agree with you more. Is there anywhere in your language where you specifically talk about facility augmentation?

> I guess the way I'm reading MR. ALBERT:

1 that is, in order to add the trunks at these 2∥different break points you also need to have the 3 | facilities available. You can't put a trunk in between the two parties' networks without having the facility for it to ride on. 5

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MR. MONROE: So, would it be Verizon's position that it would not augment facilities until the time came to augment trunks; and lo and behold, the facilities are inadequate to carry the additional trunks?

MR. ALBERT: No, it's a whole lot of different design and engineering approaches that we use for augmenting facilities based on what particular component of the network you're talking about.

MR. MONROE: And is that discussed anywhere in your contract language?

What's discussed in here MR. ALBERT: No. 19 is the different break points for really having to add trunks. In order to add the trunks you need to have the facilities available to put them on.

> MR. MONROE: But you're not proposing any

1 standards, mechanisms, triggers, processes, or anything dealing with the facility augmentation?

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MR. ALBERT: Well, I think we have in a 4∥number of perspectives. We haven't gotten to a 5 sub, sub, sub, subgranular level to spell it out as its individual component, but by virtue of including the design points where trunks would be added or trunks would be disconnected, as well as having operational performance standards and penalties that kick in when we don't meet them, I 10 | think--I mean, as a result of adhering to all that, we've got to have facilities that we add for transport at appropriate points in time to be able 13 | 14 to fulfill all those other obligations.

Well, is there any contract MR. MONROE: provision you're proposing that would address the topic of augmenting facilities before you get to the topic of augmenting trunks?

MR. ALBERT: No, and that's because 20 there's a vast number of different components that you put together in order to build IOF facilities. 22 Within our own network we relieve those and provide

1 additional capacity differently at different points 2 | in time, based on the particular component. 3 concept that there is a singular thing called an 4 | IOF facility is really a misnomer because that's 5 made up of different items of electronics, transport, primarily fiber optics, the conduit the 7 | facilities have to go through, the digital cross-connect machines the circuits pass through. There are all these different piece parts that in 9 order to build a transport facility end-to-end, all 10 of those piece parts have to be placed in sufficient capacity, and they run out at different points in time, and the process to provide relief 13 sufficiently in advance of that individual 14 component running out is something that we do 16 normal business as usual.

MR. MONROE: Well, WorldCom proposed 18 specific language dealing with facility augmentation, and your testimony discusses it 20 somewhat, and what I would like to find out is, do 21 you object to having language in the contract 22 discussing facility augmentation, or do you just

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1 have criticism of the particular language that WorldCom proposed?

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MR. ALBERT: Both. All of the above.

Let's start with the first MR. MONROE: Why do you object to addressing in the Interconnection Agreement the topic of facility augmentation?

I quess because I think we MR. ALBERT: already have it contractually covered. We already have the overall topic contractually covered as a result of the performance standards, and the operational standards, and the resulting penalties that kick in when we don't deliver on those.

To me, that's the big picture item that makes us comply with the whole number of subpieces. I think it's contractual overkill to then get into specifying a number of different precise individual components that are required in order for us to 19 meet those broader obligations that we've already 20 committed to.

MS. CARPINO: Well, Mr. Albert, are those 22 performance plans and penalties in place in

1 Virginia today?

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MR. ALBERT: 2 I'm not sure to what degree. 3 I know we've got that as part of this proceeding, to set those. I know we've got other FCC requirements from the merger, and so there is some stuff that falls over onto Virginia currently. \mid just not sure the extent of all the measures, but 8 then there will also, I'm assuming as a result of this proceeding and as a result of this contract, 10∥there will be a new set and an additional wave of ones that we'll have on top of that.

MS. CARPINO: Mr. Monroe.

So, you're not proposing any MR. MONROE: specific language dealing with facility augmentation, but you believe it would be contractual overkill to include the seven sentences 17 that WorldCom is proposing?

MR. ALBERT: Yeah, because I believe they 19 are basically overly broad, and I can't live with a 20 contract that's so overly broad that I know I can't deliver on it.

I guess in particular -- let me find it

1 here. Let me find the proposed language.

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The WorldCom language could MR. MONROE: be found in the DPL starting on page 116.

MR. ALBERT: Yes, that's what I have gone through and marked up.

It's this bit about providing relief when the overall system facility is at 50 percent. Now, to me, that is extremely overly broad and vaque, in that there are a number of different components, as I was describing earlier, that we need to provide capacity relief for, and to have in place 11 | sufficiently in advance that in total make up what you might broadly refer to as this overall system 14 | facility.

So, I mean, this is something I can't I mean, I can't--if this was in a deliver on. contract and if I was on the hook to do this, I 18∥wouldn't know how to even be able to make good on a 19 commitment of that nature.

The other difficulties I've got with the language that's been proposed is there is also this 1.1.6.3, which is on page 117 of the joint position

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And in there down at the end there is a "MCIm will determine the phrase that says: appropriate sizing for facilities based on the standards. Now, that's another thing that either we can't agree to or deliver on.

The thing that we can do, and what we currently do with all carriers today, is for 9 interconnection, of which there are a number of 10 different ways that you can interconnect, and each 11∥of those have varying pieces that are provided by 12 \parallel the different parties in various ways, but the way 13 | it works today is for interconnection, if the equipment is owned by Verizon, Verizon is 15 responsible to determine how big to make it, and 16 Verizon is responsible to have enough of it there 17∥in advance in order to meet service demands.

And similarly, if there is equipment in 19 the overall interconnection that the CLEC owns, then the CLEC is responsible to determine how big 21 to make that, and is responsible to have sufficient capacity in place to be able to meet the service

1 interconnection, some of those will provide 2 capacity for greater than two years and some of 3 them will provide capacity for less than two years, 4 and having a broad sweeping overall requirement of $5 \parallel$ this nature that applies to all of them, in 6 essence, the net effect of all this is this 7 translates into us having to provide a significantly better grade of service for 9 interconnection to WorldCom than what we currently 10 provide for ourselves and what we currently provide for our other CLECs. And in my opinion, it, as a 12 result of that better grade of service, would 13 significantly add costs to the overall arrangement, 14∥as well as you can say that's synonymous with being 15 know efficient.

Thank you. I will get to MR. MONROE: those specific issues you raise in a minute, but 18 first I want to address your initial comment that the WorldCom language is too broad.

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Is it the case, then, that Verizon 21∥proposes no language and WorldCom proposes some 22 language, but it's too broad, does that mean that you would be in agreement to having some narrower lanquage?

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What I said before is we MR. ALBERT: No. have already agreed at an umbrella level to being on the hook for performance standards that would relate to trunk provisioning, and then if we don't meet them, we are in the pay money mode, and to basically comply with those, we have to have sufficient capacity in place to meet the service demands.

So, I think it's unnecessary to drill down with some microscope further below that, to then 13 peel out individual pieces that by default of meeting the overall you've got to meet those pieces anyhow.

When Ms. Carpino asked you a MR. MONROE: minute ago if those performance provisions were in place in Virginia, did you say that they were not?

MR. ALBERT: I wasn't absolutely sure what ones are in place. I know there are some commitments that we made as part of the Bell 22 Atlantic and NYNEX merger. I know the commitments

1 that we made with the FCC as part of the GTE 2 merger. I know those involve measurements in 3 standards and self-executing performance penalties. 4 Those things exist in some nature today, and I'm 5 not just all that familiar with particulars of each 6 of them.

But in addition to that, it's also my 8 understanding as part of this proceeding, this 9 issue is being dealt with, so that in connection 10 | with this Interconnection Agreement, there will 11 resultingly be a freshly worked wave of performance 12 standards and self-executing remedies and penalties 13 that go along with it.

MR. MONROE: And I don't want to get too 15 | far afield, but isn't it true that Verizon's 16 position on that issue is that there is no 17 jurisdiction to order those?

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MR. ALBERT: I don't know. Do you got a 19 legal position?

We could take notice of what MR. DYGERT: 21 Verizon's position is on this.

> MR. MONROE: So, you don't know to what

extent the performance provisions are in place, and
I guess none of us know what will ultimately be
ordered on that, yet, you want to rely on that as
the sole driver in facility augmentation because
you don't want to have narrow or broad language; is
that correct?

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MR. EDWARDS: Let me object again. This is continuing a pattern of restating testimony and misstating it when it's been restated. And it's gone on through the last set of questions, and it's continuing to here, and I just have a continuing objection to restating testimony back and not stating it accurately.

MR. DYGERT: I think we understand the import of Mr. Albert's answers to your last questions, Mr. Monroe. If you have another question, go ahead.

MR. MONROE: Thank you, Mr. Dygert.

Now, as to the particular items you mentioned in the WorldCom proposed language, you said that two years capacity was too much, and that that would create a higher grade of service for

WorldCom than for yourselves or for others; is that correct?

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MR. ALBERT: No. I said in some cases, the clause talks about two years is too much. 5 There are other components of transport, components 6∥of the network where when we do provide relief, we 7 provide more than two years' worth. But it's the combination of this two-year requirement working with 50 percent. Relieving and providing more 10 | capacity at 50 percent in all cases, every single component you would be talking about, that is significantly better than what we currently do within our own network and what we currently do 14 with CLECs.

So, the 50 percent is always significantly The two years would sometimes be and 16 better. sometimes not be, depending on the particular component.

I guess what's important is the way the WorldCom language is proposed, it's written as if 21 the facilities we are talking about are strictly and uniquely dedicated to WorldCom. And when we

1 | are dealing with interconnection, that's usually 2 not the case. There may be a portion of a facility 3∥or a circuit that due to the way it's configured, 4∥that it strictly serves WorldCom and WorldCom only, 5 but the rest of the circuits or the rest of the 6 pieces of the circuits, we are talking about shared 7∥network equipment of Verizon, which is providing 8 service not only to WorldCom, but also to 9 interexchange carriers and our own end users and 10 you name it.

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If you've got the interoffice facilities that you would construct in order to provide the 13 transport to take a trunk from WorldCom's pop and 14 to transport that circuit all the way to a Verizon 15∥end office, in a number of cases at somewhere at 16 some point that's going to be hitting Verizon's 17∥shared transport network where you would have this case of what you have described as being an overall 19∥system facility, in fact, is not a singular thing, 20∥but it's common network equipment that we are using 21 to provide service to a number of different users and a number of different customers in a number of

1 different ways.

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Do you understand that MR. MONROE: WorldCom's position in contract language is dealing only with the facilities between the two companies?

MR. ALBERT: That's not clear at all. 6 Because when I read it about the overall system facility, it's not clear. That's too broad. That 8 language is too broad.

MR. MONROE: Well, if it were clear that 10 we were only talking about the interconnection 11 facilities between the two companies, would that make a difference?

MR. ALBERT: I still believe a fair and 14 appropriate way to size and to add capacity is to 15 have Verizon responsible for sizing and adding the 16 capacity of the equipment that we own so that we are engineering and designing what we own and what 18 we provide; and similarly, the CLEC should be responsible for designing and providing what they own.

21 And to me that's the way to operate. To me, that's sufficient to have in an agreement.

My question was, would it MR. MONROE: 2 make a difference if you understood that we were 3 only talking about the facilities between the two companies, and I'm not sure if that was a yes or I think maybe it was no.

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MR. ALBERT: That's, unto itself, still wouldn't help me because you're still with that 8 phrase not uniquely identifying what type of a 9 transport facility and how is it provided and how 10 much of it is dedicated and who owns the pieces. 11∥So, even with the way you phrased it, for me to be 12 able to make a contractual commitment and deliver 13 on it, I can't with those words.

MR. MONROE: Well, if it were only the 15 | facilities between the two companies, then we would 16 know that it was 100 percent dedicated, wouldn't 17 we?

MR. ALBERT: No, because that's not a 19 good, precise contractual engineering way to 20 describe something when you kind of broadly refer 21 to it as the facilities between two companies 22 because, as I was saying before, depending on the

1 type of facility and how it's provisioned and where 2 it is, that could still encompass transport 3∥facilities that are provided using a significant amount of common, shared transport equipment in

Verizon's network.

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MR. MONROE: You give a specific example on page eight of Verizon Exhibit 9 of an instance when WorldCom's language were applied, a fiber 9 system that had reached 50 percent of capacity would require the installation of new fiber, even though the system capacity could be expanded by changing the electronics; is that correct? particular, I'm looking at lines nine through 19.

MR. ALBERT: That's generally what this is talking about.

Isn't the point that you're MR. MONROE: making there that WorldCom would require Verizon to put new fiber in the ground when the same result could have been accomplished by changing electronics?

MR. ALBERT: In this particular example, 22 that's correct.

MR. MONROE: Can you explain to me how WorldCom's language would require the fiber installation as opposed to the electronics changeout?

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MR. ALBERT: Because the way it's worded, when--these are the words that just give me absolute heartburn. It's the ones that come back and say, and this is a quote, when the overall system facility is at 50 percent. That does not describe which are all the many different piece parts. In order for me to deliver on that in the contract, all I can assume is that I've got to have every single piece part meet that 50 percent.

In the -- to make it even worse, in the joint position statement, I think you all give like 16 an example of a case where you were looking--this is on page 119--where you were looking for facilities and you say that we ran out of stuff and caused problems and we didn't have it there.

But in that situation, what you're talking 21 $\|$ about is the case where we ran out of conduit.

Now, to me that's even more extreme and